



USDA Foreign Agricultural Service

# GAIN Report

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## Japan

### Market Development Reports

#### Food Business Line Periodic Press Translations from ATO Tokyo

2004

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**Report Highlights:** *Ito-Yokado* reports a 16 percent increase in ordinary profit; *Sukiya*, a major beef bowl chain, tries Australian beef; Japan's meat importers look to other sources in order to limit future risks of new Avian Influenza outbreaks; *Nisshin Foods Inc.* begins selling bread premix in Thailand and; *Sumitomo Corporation* creates a traceability system for its fish sales to supermarkets.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Tokyo ATO [JA2]  
[JA]



## Food Business Line

Periodic Press Translations from ATO Tokyo

Vol IV, Issue 56 October 1-15, 2004

### Retail/Wholesale

- *Aeon Group's* mid-term financial statement for August 2004 showed a net profit of 28.3 billion yen, an increase of 54% compared to the same period in 2003. The performance of its other business expansion activities, particularly among its credit and real estate development subsidiaries more than offset the sluggish results from its principal business of retail. The retail supermarket business struggled with negative consumer reactions to price labeling under the mandatory inclusion of the consumption tax. During this period, the newly acquired *Mycal* was also receiving assistance from its new parent. (b 10/6)
- *Ito-Yokado* reported ordinary profit of 111.8 billion yen in its mid-term consolidated financial settlement statement for August 2004, an increase of 16% compared to same period last year. The increase in sales was attributed to the performance of both the *Seven-Eleven* subsidiary and its in-store ATM banking service, *IY Bank*. (b 10/1)

### Food Service

- *Sukiya*, a major beef bowl chain in Japan, resumed sales its beef bowl menu using Australian beef September 17. Sales for that month increased by 10.2% compared to September 2003, despite the price being Y70 higher than previously. The menu was shortly discontinued when beef ran out.(b 10/6)

### Food Processing/New Products/Market Trends

- According to *Suntory Ltd.*, total sales estimates of mineral water in July was a record 15 million cases, up 136% from the previous year due to the excessive record high temperatures during the summer of 2004. (f 10/11)
- General trading companies and major meat importers are considering other sources for poultry imports in order to reduce exposure to occurrences of Avian Influenza. After the experience of a ban on poultry imports from both Thailand and China this year, Japanese importers are considering sources such as Poland, Philippines, Chile and Argentina. This will also allow importers from relying too heavily on imports from Brazil. (b 10/5)
- *Asahi Breweries* announced a delay in releasing beer in its new pet-bottle containers. In case the new pet-bottle rapidly increased in popularity, there is a concern of overloading the current recycling system. (b 10/1)
- *Nisshin Foods Inc.*, a subsidiary of *Nisshin Seifun Group Inc.* is selling bread premix to its Thai subsidiary, *Thai Nisshin Technomic Co.* The expectation for *Nisshin Foods* is to capture a substantial share of the Thai market, perhaps as much as 40 percent, as bread becomes more popular in Thailand. (g 10/15)

### Food Safety/Consumer Awareness

- Six months have passed since the end of the clean-up for the one case of avian influenza in Japan. While the demand for domestic poultry meat is nearly recovered, there is still a tendency among poultry producers to keep a tight rein on production due to anxiety about whether there could be a recurrence of the disease in the coming winter. (b 10/7)
- *Sumitomo Corp.* will supply fresh fish under a complete traceability system to supermarkets within this year. Information such as feed and location of the fry and roe hatchery can be confirmed on the Internet in the stores. (b 10/9)

#### **ATO/Cooperator/Competitor Activities/Trade Shows**

- The Wild Blueberry Association of North America is conducting promotions in various cities in Japan to inform consumers of the good taste and health benefits of wild blueberries. (f 10/11)

#### **Sources**

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal        |
| (c) The Japan Food Journal       | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News          | (f) The Food Industry News              |
|                                  | (g) Nikkei Business Daily               |

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